

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NORTH DAKOTA**

In re:

**Bourbon Street LLC,
dba La Cantina,**

**Bankruptcy No. 23-30246
Chapter 11- Subchapter V**

Debtor

**Petri Enterprises, LLC,
dba La Cantina,
dba Heros and Legends Sports Bar,
dba Heros and Legends,**

**Bankruptcy No. 23-30247
Chapter 11 – Subchapter V**

Debtor

**Gannett Peak, LLC,
dba La Cantina,**

**Bankruptcy No. 23-30248
Chapter 11 – Subchapter V**

Debtor

**ACTING US TRUSTEE OBJECTION TO SUBCHAPTER V PLAN
OF GANNETT PEAK, LLC**

The Acting United States Trustee (UST) objects Gannett Peak, LLC's Subchapter V Plan of Reorganization (Gannett Plan") (Doc. No. 109) In support of her objection, she states the following:

1. The UST has standing to object under 28 U.S.C. § 586 and 11 U.S.C. § 307.
2. The UST has a pending Motion to Dismiss Gannett Peak and the related entities.

At this time, Gannett Peak has cured all deficiencies under the motion. Upon discussions with Debtor's counsel, the Debtor Bourbon Street, LLC has ceased operating and will

consent to conversion of the Bourbon case to chapter 7. Therefore, the UST's motion will remain pending, but the UST will not seek the conversion of Gannet Peak.

3. The UST's objections to the Gannet Plan are the following.

Article 3

4. 3.02: The Plan should add the following sentence: Post-petition, the Subchapter V Trustee shall continue to apply for all fees in accordance with Sections 330 and 331.

5. 3.02: The Plan should estimate the dollar amount of any outstanding administrative expenses. Show payments on projections.

Article 4

6. Class 3 (Alerus) proposes that Gannett continue making rent payments, which are listed as \$1,236 on the projections. According to the motion to approve lease (Doc. 82), the payments are \$1,800. It is not clear why the figures do not match.

7. Class 4: GUSC: \$56.95 each month. The life of the plan is not clearly defined in the body. The projections go to December 2029 (72 months). The total dollar amount at the introduction states total payments will be \$3,417, which implies that the Plan is 60 months.

8. If the Plan is not consensual, the time spent by the Subchapter V Trustee making payments will exceed the amount of the monthly payment, which issue is alluded to in Article 7. The UST recommends that the Debtor and the Subchapter V Trustee agree to the timing of the payments in the Plan, e.g. quarterly, semi-annually, etc. The Plan should provide the Subchapter V Trustee with a concrete schedule of payments that he can rely upon to determine that the Debtor is timely making payments to the Subchapter V Trustee. The creditors should also know when to expect payments under the Plan.

Article 6

9. 6.01: The Plan should list the leases to be assumed specifically. Voters will not have access to CM/ECF to look at Schedule G unless they have hired counsel.

Article 7

10. Last paragraph: The Plan should change all references from "disbursing agent" to Subchapter V Trustee or note at the beginning, "If the Subchapter V Trustee is serving as the disbursing agent..."

Article 8

11. Section 8.06: In the last sentence, the Plan should change all references of “disbursing agent” to subchapter V trustee. The UST cannot appoint a disbursing agent, only a subchapter V Trustee.

Article 9

12. The Plan should insert the discharge language in the Plan. Voters do not know what the Bankruptcy Code means without consulting counsel.

Example

Discharge. The Court shall grant the Debtor a discharge pursuant to 11 USC § 1192 of all debts that arose prior to the Petition Date in this case, except any debtor (1) on which the last payment is due after the first five (5) years of the Plan; and (2) debts of the kind specified in Section 523(a) of the Bankruptcy Code.

Discharge all occur –

- a. If the Plan is confirmed under 11 USC 1191 a consensual plan, the Debtor shall receive a discharge on the effective date of the Plan; or
- b. If the Plan is confirmed under 11 USC 1191(b), the Court shall grant a discharge upon the completion of the plan payments to Class 4.

13. The UST has shared these comments with the Debtor via email dated November 16, 2023, and the UST expects that several of these issues will be resolved prior to the hearing.

WHEREFORE, the UST requests that the Court grant her objections herein and such other relief as appropriate.

Dated: November 28, 2023

MARY R. JENSEN
Acting U.S. Trustee Region 12

/s/ Sarah J. Wencil
Sarah J. Wencil
Trial Attorney
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UNSWORN CERTIFICATE OF SERVICE

The undersigned declares under penalty of perjury that on November 28, 2023, I caused to filed electronically the following: Objection, thereby generating service by CM/ECF.

Executed on: November 28, 2023

**/s/ Sarah J. Wencil
Sarah J. Wencil
Office of the United States Trustee**